
SPECIAL SOURCE REVENUE CREDIT AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

RISC, LLC,

and

COOLEY, INCORPORATED

Dated as of December 14, 2020

SPECIAL SOURCE REVENUE CREDIT AGREEMENT

This SPECIAL SOURCE REVENUE CREDIT AGREEMENT, dated as of December 14, 2020 (as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof, the "Agreement"), is by and among LANCASTER COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate, and a political subdivision of the State of South Carolina, RISC, LLC ("RISC"), a Delaware limited liability company, and COOLEY, INCORPORATED, a Rhode Island corporation ("Cooley") (collectively, RISC and Cooley are referred to as the "Companies").

RECITALS

WHEREAS, the County, acting by and through its County Council (the "Council") is authorized and empowered to establish a multicounty park ("MCP" or "Park") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and also authorized to provide special source revenue credits pursuant to Sections 4-1-170, 4-1-172, 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended (the "MCP Act") against fee-in-lieu of tax ("FILOT") payments ("FILOT Payments") made pursuant to the MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving, or expanding (i) infrastructure serving the project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise ("Special Source Improvements");

WHEREAS, in 1997, by passage of Ordinance No. 293, Council approved a Lease Purchase Agreement by and between the County and Synteen Technologies, Inc. ("Synteen") dated May 1, 1997 (the "Lease Purchase Agreement") which provided Synteen the benefits of a title transfer fee-in-lieu of tax incentive;

WHEREAS, on October 30, 2000, Council approved by passage of a resolution the assignment by Synteen of the Lease Purchase Agreement to RISC, LLC;

WHEREAS, pursuant to the terms of the Lease Purchase Agreement and applicable state law, the Lease Purchase Agreement is no longer effective;

WHEREAS, the Companies have established operations in the County by the construction and installation of one or more facilities with a previous investment estimated to be at least \$4,000,000 in real and personal property that was subject to a fee in lieu of taxes under the Lease Purchase Agreement (such property that was subject to a fee in lieu of taxes under the Lease Purchase Agreement, the "Project"), and the Companies expect to maintain at least sixty-three (63) full-time jobs;

WHEREAS, the County, as inducement for the Project (and in addition to any other inducement, if any, that the County may provide in other agreements and proceedings), and in accordance with the MCP Act, has determined that the County shall provide to the Companies special source revenue credits to be applied to certain fee-in-lieu of tax payments to be made by the Companies pursuant to the MCP Act, all as set forth in greater detail in this Agreement; and

WHEREAS, the Council has authorized the execution and delivery of this Agreement by Ordinance No. 2020-1697 enacted by the Council on December 14, 2020.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the above recitals which are incorporated herein by reference, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

The defined terms in this Agreement shall for all purposes of this Agreement have the meanings specified in the recitals above and in this **Article I**, unless the context clearly otherwise requires. Except where the context otherwise requires, (i) words importing the singular number shall include the plural number and *vice versa*, and (ii) the words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

"*Affiliate*" means any corporation, limited liability company, partnership or other Person or entity which now or hereafter owns all or part of the Companies, or which now or hereafter is owned in whole or in part by the Companies, or by any partner, shareholder or owner of the Companies, as well as any corporation, limited liability company, partnership or other Person, which now or hereafter bears a relationship to the Companies, as described in Section 267(b) of the Internal Revenue Code.

"*Code*" means the Code of Laws of South Carolina 1976, as amended.

"*Companies*" mean, collectively, RISC and Cooley.

"*Cooley*" means Cooley, Incorporated, and its successors and assigns.

"*Costs of Special Source Improvements*" means all of the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements, whether incurred prior to or after the date of this Agreement, and shall be deemed to include, but not be limited to: (a) existing buildings and building improvements together with all existing machinery and equipment; (b) obligations incurred for labor, materials, and other expenses to builders and materialmen in connection with the acquisition, construction, and installation of the Special Source Improvements; (c) the cost of construction bonds and of insurance of all kinds that may be required or necessary during the course of construction and installation of the Special Source Improvements, which is not paid by the contractor or contractors or otherwise provided for; (d) the expenses for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefore, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction, and installation of the Special Source Improvements; and (e) all other costs which shall be required under the terms of any contract for, or incurred in connection with, the designing, acquisition, construction, equipping and installation of the Special Source Improvements.

"*County*" means Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State.

"Full-Time Job" means a full-time job (*i.e.*, at least thirty (30) hours per week), with health care benefits. Jobs relocated from other states to the Project shall be counted as Full-Time Jobs if the relocated job meets the Wage Requirement. All persons filling the Full-Time Job positions must be authorized pursuant to state and federal law to be employed in the United States and not less than ninety percent (90%) of the persons filling the Full-Time Job positions must be U.S. citizens.

"Jobs Commitment" means the commitment of Companies to maintain the Full-Time Jobs, paying an hourly wage rate not less than the Wage Requirement, as set forth in Section 3.01(h) below.

"Lancaster-Chesterfield Park" means, initially, with respect to the Project Site, the multi-county park established pursuant to the Lancaster-Chesterfield Master Park Agreement, and thereafter any Park which hereafter includes the Project Site and which is designated by the County as such pursuant to any Park agreement which replaces or succeeds the Lancaster-Chesterfield Master Park Agreement.

"Lancaster-Chesterfield Master Park Agreement" means the Amended and Restated Master Multi-County Park Agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina, Amended and Restated as of November 9, 2015.

"MCP Act" has the meaning ascribed thereto in the recitals of this Agreement.

"Park" has the meaning ascribed thereto in the recitals of this Agreement.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, any unincorporated organization, or a government or an agency or a political subdivision thereof.

"Project" has the meaning ascribed thereto in the recitals of this Agreement.

"Project Site" means the land located in the Lancaster Business Park identified with Parcel Identification No. 0068-00-018.03, with a physical address of 861 Quality Drive, and consisting of approximately 25.77 acres.

"Property Tax Year" means the annual period which is equal to the fiscal year of RISC and Cooley, *i.e.*, as of the original execution and delivery of this Agreement, with respect to RISC and Cooley, the annual period ending on December 31 or September 30, respectively, of each year.

"RISC" means RISC, LLC, a Delaware limited liability company and its successors and assigns.

"Special Source Improvements" has the meaning ascribed thereto in the recitals of this Agreement.

"Special Source Revenue Credits" or *"SSRCs"* shall mean the special source revenue credits provided by the County and described in Section 3.01 hereof.

"State" means South Carolina.

“Wage Requirement” means, for all periods ending on or before December 31, 2023, an hourly wage rate not less than \$14.00, and for all periods ending after December 31, 2023, an hourly wage rate not less than \$14.86.

ARTICLE II

REPRESENTATIONS AND COVENANTS

SECTION 2.01. Representations by the County. The County represents that (i) it is a body politic and corporate and a political subdivision of the State, (ii) it is authorized by the MCP Act to enter into this Agreement, (iii) it has approved this Agreement in accordance with the procedural requirements of the MCP Act and any other applicable state law, and (iv) it has authorized its officials to execute and deliver this Agreement.

SECTION 2.02. Representations by the Companies. (a) RISC makes the following representations:

(1) RISC is a limited liability company, duly organized, validly existing, and in good standing, under the laws of Delaware and is authorized to transact business in South Carolina, has power to enter into this Agreement, and by proper corporate action has authorized the respective RISC official or officials signing this Agreement to execute and deliver this Agreement. RISC’s fiscal year end is December 31 and RISC will notify the County of any changes in the fiscal year of RISC.

(2) The Special Source Revenue Credits provided by the County in the manner set forth in this Agreement have been instrumental to RISC in inducing the location of the Project in the County.

(b) Cooley makes the following representations:

(1) Cooley is a corporation, duly organized, validly existing, and in good standing, under the laws of Rhode Island and is authorized to transact business in South Carolina, has power to enter into this Agreement, and by proper corporate action has authorized the respective Cooley official or officials signing this Agreement to execute and deliver this Agreement. Cooley’s fiscal year end is September 30 and Cooley will notify the County of any changes in the fiscal year of Cooley.

(2) The Special Source Revenue Credits provided by the County in the manner set forth in this Agreement have been instrumental to Cooley in inducing the location of the Project in the County.

SECTION 2.03 Covenants by the County. The County will use its best efforts to include, and thereafter maintain, the Project Site within the boundaries of the Lancaster-Chesterfield Park for the term of this Agreement.

SECTION 2.04 Statutory Accommodation. Notwithstanding any other provision of this Agreement, the County is executing this Agreement as a statutory accommodation to assist the Companies in achieving the intended benefits and purposes of the MCP Act. The County has made no independent legal or factual investigation regarding the particulars of this transaction and it executes this Agreement in reliance upon representations by the Companies that the documents comply with all laws

and regulations, particularly those pertinent to industrial development projects in South Carolina. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating (i) the construction or acquisition of the Project, (ii) environmental matters pertaining to the Project, (iii) the offer or sale of any securities, or (iv) the marketability of title to any property.

ARTICLE III

FILOT PAYMENTS AND SPECIAL SOURCE REVENUE CREDITS

SECTION 3.01. FILOT Payments and Special Source Revenue Credits.

(a) Companies acknowledge and agree that under the MCP Act, all property, both real and personal having a situs at the Project Site is exempt from *ad valorem* property taxes and that the Companies are required to make annual FILOT Payments with respect to the real and personal property having a situs at the Project Site in an amount equal to what the *ad valorem* property taxes would be if the Project were not located in the Lancaster-Chesterfield Park. The FILOT Payments to be made by the Companies under this Agreement shall be calculated in the same manner as *ad valorem* taxes and the Companies shall receive all credits, exemptions, or reductions against *ad valorem* taxes or against payments in lieu of taxes due pursuant to the MCP Act allowed by law. County and Companies acknowledge and agree that any exemption that would otherwise be allowed pursuant to Section 3(g), Article X of the Constitution of South Carolina and the exemptions allowed pursuant to Section 12-37-220(B)(32) and (34) of the Code shall be applied in the calculation of the FILOT Payments, if applicable. The collection and enforcement of the FILOT Payments shall be as provided in Section 12-2-90 of the Code.

(b)(1) The Companies agree to pay, or cause to be paid, the Costs of Special Source Improvements as and when due. The Companies agree that, as of any date during the term of this Agreement, the cumulative dollar amount expended by the Companies on Costs of Special Source Improvements shall equal or exceed the cumulative dollar amount of the Special Source Revenue Credits received by the Companies.

(2) To defray or reimburse the Costs of Special Source Improvements with respect to the Project, the County agrees to provide, and the Companies shall, subject to the provisions of Section 3.02 hereof, receive, Special Source Revenue Credits equal to twenty-five percent (25%) of the FILOT Payments due with respect to the Companies' investments at the Project Site in real and personal property (but excluding the Companies' investment in Economic Development Property under the Fee Agreement by and among the County, RISC, LLC and Cooley, Incorporated, dated as of December 14, 2020) for a period of ten (10) consecutive tax years, beginning with the FILOT Payment due from the Companies for tax year 2019 (*i.e.*, the FILOT Payment due to be paid without penalty on or before January 15, 2020) and ending with the FILOT Payment due from the Companies in tax year 2028 (*i.e.*, the FILOT Payment due to be paid without penalty on or before January 15, 2029).

(3) In accordance with Section 4-29-68(A)(2)(ii) of the Code, to the extent that the Companies receive Special Source Revenue Credits as reimbursement for investment in personal property, including machinery and equipment, if such property is removed from the Project during the Term of this Agreement, the amount of the Fee Payments due on such personal property for the year in which the personal property was removed from the Project also shall be due for the two years following such removal.

(c) The Special Source Revenue Credits which the Companies shall receive with respect to each tax year set forth above in Section 3.01(b) above shall be reflected by the County Auditor or other authorized County official or representative on each applicable FILOT Payment bill sent to the Companies by the County for each tax year, by reducing the fee-in-lieu of tax payment otherwise due from the Companies for the tax year by the amount of Special Source Revenue Credits to be provided to the Companies for the tax year.

(d) If Section 3.01(b) above, or the provision of the Special Source Revenue Credits is found to be invalid, illegal or unenforceable by a court of competent jurisdiction, the County agrees to provide the Companies with an incentive that is valid pursuant to such court ruling and commensurate to the nature and value of the benefits intended to be provided under this Agreement, to the maximum extent legally permitted.

(e) THIS AGREEMENT AND THE SPECIAL SOURCE REVENUE CREDITS PROVIDED HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY AND ARE PROVIDED BY THE COUNTY SOLELY FROM THE FEE-IN-LIEU OF TAX PAYMENT MADE BY THE COMPANIES WITH RESPECT TO THE PROPERTY IDENTIFIED IN SECTION 3.01(b) ABOVE AND DO NOT AND SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION AND DO NOT AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY ARE NOT PLEDGED IN CONNECTION WITH THE PROVISION OF THE SPECIAL SOURCE REVENUE CREDITS HEREUNDER.

(f) In accordance with the MCP Act, the Special Source Revenue Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project by the Companies.

(g) Notwithstanding any other provision of this Agreement, the Companies acknowledge and agree that County's obligation to provide the special source revenue credits ends, and this Agreement is terminated, if the Companies cease operation of the Project. For purposes of this Section 3.01(g), "cease operations" means permanent closure of the Project. The Companies agree that if this Agreement is terminated pursuant to this Section 3.01(g), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(h) The Companies agree and commit to the following aggregate Jobs Commitment: the maintenance of the number of thirty (30) Full-Time Jobs, paying an hourly wage rate not less than the Wage Requirement, during term of this Agreement. The number of Full-Time Jobs shall be based on the average number of Full-Time Jobs, paying an hourly wage rate not less than the Wage Requirement, for each month during the year.

(i) Notwithstanding any other provision of this Agreement, the SSRs provided in Section 3.01(b) above are not applicable in any year immediately following a year in which the Companies have failed to employ an average of at least thirty (30) individuals in full-time jobs (*i.e.*, each at least thirty (30) hours per week and all with health care benefits).

(j) The Companies shall maintain an investment of not less than two million five hundred thousand dollars (\$2,500,000) in the real and personal property to which the Special Source Revenue Credits provided in **Section 3.01(b)** apply during the tax years for which such Special Source Revenue Credits apply.

SECTION 3.02. Maintenance of Books and Records; Annual Reports; Examinations and Inspections; Confidential Information. (a) Companies shall maintain, or cause to be maintained, such books and records with respect to the Project as will permit the identification of the portions of the real and personal property subject to the Special Source Revenue Credits provided in **Section 3.01(b)** above, including the real and personal property placed in service, the amount of investment with respect thereto, and any computations of the fee-in-lieu of tax payment and the Special Source Revenue Credits made by Companies hereunder. Companies agree to comply with all reporting requirements of the State and the County applicable to fee-in-lieu of tax property under the MCP Act, including without limitation the reports and returns required by Section 12-2-90 of the Code.

(b) Upon direction of the governing body of the County, a County Official may request and obtain such financial books and records from Companies that support the returns of Companies as may be reasonably necessary to verify the calculations of the fee-in-lieu of tax payments by Companies. For purposes of this Agreement, the term "County Official" includes the County Administrator, County Auditor, County Assessor, County Treasurer, and the County Director of Economic Development.

(c) Each year during the term hereof, the Companies shall deliver to the County Auditor, the County Assessor, the County Treasurer, and County Director of Economic Development a copy of any form or return it files with the South Carolina Department of Revenue with respect to the Project at the same time as delivery thereof to the South Carolina Department of Revenue.

(d) During the term hereof, and in addition to the other information required to be provided by this **Section 3.02**, Companies shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a Property Tax Year, beginning with May 31, 2021, the information required by the County Auditor for a fee-in-lieu of tax payment bill to be prepared in accordance with this Agreement and **Section 3.01(a)** above, *provided, however*, for the Property Tax Year ending December 31, 2019, the Companies shall deliver the information not later than December 31, 2020. The information delivered must include, at a minimum, the amount of investment by the Companies in Project property. If the County incurs expenses in the computation, preparation and verification of the annual fee-in-lieu of tax payment bill and any applicable Special Source Revenue Credits, the Companies agree to reimburse the County for those expenses, including, but not limited to, expenses incurred by the County for accountants and similar experts (the "Administrative Expense Reimbursement"). The annual Administrative Expense Reimbursement is capped at one thousand dollars (\$1000.00). If the information and certification required by this subsection is not delivered to the County Auditor and County Director of Economic Development on or before May 31 of the applicable year, Companies agree that the Special Source Revenue Credits are forfeited for the FILOT Payment due for the applicable real and personal property for the then current Property Tax Year.

(e) The Companies agree that the County and its authorized agents shall have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all its books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions

prescribed by the Companies to protect the confidentiality and proprietary rights of Companies. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.

(f) The County acknowledges and understands that the information provided by the Companies may contain, and the Companies may have and maintain at the Project, certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the operations and processes of the Companies ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and could have a significant detrimental impact on the employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County to not knowingly and willfully disclose the marked and identified Confidential Information to any Person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

ARTICLE IV

TRANSFERS OF PROJECT PROPERTY; ASSIGNMENT

SECTION 4.01. Transfers of Project Property; Assignment of Interest in this Agreement. The County hereby acknowledges that the Companies may from time to time and, to the extent permitted by applicable law, sell, transfer, lease, convey, or grant the right to occupy and use the Project, in whole or in part, or assign its interests in this Agreement, in whole or in part, to one or more Persons without the consent of the County; *provided, however*, that any transfer or assignment by the Companies of all or any of their interest in this Agreement to any Person other than an Affiliate shall require the prior written consent or subsequent ratification of the County, which consent or ratification shall not be unreasonably withheld, conditioned, or delayed and which shall be evidenced by resolution of Council; and *provided, further*, that the Companies shall provide written notice to the County of any such transfer or assignment. Subject to the foregoing provisions of this **Section 4.01**, no such sale, lease, conveyance, grant, transfer or assignment shall relieve the County from the County's obligation to provide the Special Source Revenue Credits to the Companies, or any transferee or assignee of the same, under this Agreement.

ARTICLE V

DEFAULTS AND REMEDIES

SECTION 5.01. Events of Default. If any party shall fail duly and punctually to perform any material covenant, condition, agreement or provision contained in this Agreement on the part of such party to be performed, which, except as otherwise provided in this Agreement, failure shall continue for a period of thirty (30) days after written notice by another party, specifying the failure and requesting that it be remedied, is given to the defaulting party by first-class mail, then such party shall be in default under this Agreement (an "Event of Default"); *provided, however*, that if any such failure is not, with due

diligence, susceptible of cure within such 30-day period, then such defaulting party shall have a period of time not to exceed sixty (60) days from the date of such written notice by the other party to remedy such failure, unless such parties agree in a writing signed by all parties to an extension of such time prior to its expiration.

SECTION 5.02. Legal Proceedings. Upon the happening of any Event of Default by a party, then and in every such case each other party in its respective discretion may:

- (1) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all of its rights and require the defaulting party to carry out any agreements with or for its benefit and to perform its duties under the MCP Act and this Agreement;
 - (2) bring suit upon this Agreement;
 - (3) exercise any or all rights and remedies provided by the applicable laws of South Carolina;
- or
- (4) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of its rights.

SECTION 5.03. Remedies Not Exclusive. No remedy in this Agreement conferred upon or reserved to the Companies or the County is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

SECTION 5.04. Nonwaiver. No delay or omission of the Companies or the County to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this **Article V** to the Companies or the County may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Termination This Agreement shall automatically terminate on the date upon which all Special Source Revenue Credits provided for in **Section 3.01(b)** above have been provided to, and received by, the Companies. Additionally the County and the Companies may jointly agree to terminate this Agreement at any time and the Companies may, at their option, unilaterally terminate this Agreement at any time with respect to all, or any portion of the Project.

SECTION 6.02. Binding Effect; Successors and Assigns. This Agreement shall be binding, in accordance with its terms, and to the extent permitted by law, upon and inure to the benefit of the Companies, the County and their respective successors and assigns. All covenants, stipulations, promises, and agreements contained in this Agreement, by or on behalf of, or for the benefit of, the County, shall bind or inure to the benefit of the successors of the County from time to time and any

officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County shall be transferred.

SECTION 6.03. Provisions of Agreement for Sole Benefit of the Companies and the County.

Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any Person other than the Companies and the County any right, remedy, or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the Companies and the County.

SECTION 6.04. Indemnification. The Companies release the County, including the members of the governing body of the County, and the employees, officers, and agents of the County (herein collectively referred to as the "Indemnified Parties") from, agree that Indemnified Parties shall not be liable for, and agree to hold Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person or any other liability whatsoever, including without limitation, liability under any regulatory or environmental laws, that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project, or the use thereof except to the extent such losses or damages are attributable to such Indemnified Party's gross negligence, willful misconduct or breach of this Agreement. The Companies further agree to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities and expenses, including, but not limited to, attorneys' fees and claims arising from such events or occurrences and arising from the performance of an Indemnified Party of any obligations of the County under this Agreement or any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any grossly negligent or intentional act or negligence of, or failure to act by, the Companies, or any of its agents, contractors, servants, employees, lessees or licensees, and from and against all cost, liability, and expenses, including, but not limited to, attorneys' fees incurred in or in connection with any such claim, liability, or action or proceeding brought thereon.

All covenants, stipulations, promises, agreements, and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements, and obligations of the County and not of any member of the Council or any officer, agent, servant, or employee of the County in his individual capacity, and, absent bad faith, no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the Council or any officer, agent, servant, or employee of the County.

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the Project or terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by the Companies, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event the Companies shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses, including, but not limited to, attorneys' fees incurred in connection with any such claim or in connection with any action or proceeding brought thereon. If any action, suit, or proceeding is brought against any Indemnified Party, such Indemnified Party shall promptly notify the Companies and the Companies shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in

its sole discretion; *provided*, that the Companies shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which the Companies has the ability to, and does, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being pursued or that the counsel engaged by the Companies reasonably determines that a conflict of interest exists between the County and the Companies, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and the Companies shall be liable for the reasonable cost of such counsel.

The indemnity specified in this Section 6.04 shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

SECTION 6.05. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal, invalid or unenforceable, the illegality, invalidity or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid or unenforceable provisions had not been contained herein so as to most closely effectuate the legal, valid and enforceable intent hereof and so as to afford the Companies with the maximum benefits to be derived herefrom.

SECTION 6.06. No Liability for Personnel of the County, the Companies or the Affiliated Companies. No covenant or agreement contained in this Agreement is deemed to be a covenant or agreement of any elected official, member, agent, or employee of the County or its governing body or the Companies or any of their respective officers, elected officials, employees, or agents in an individual capacity, and neither the members of the governing body of the County nor any official of the County or the Companies executing this Agreement is liable personally on the Special Source Revenue Credits or this Agreement or subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 6.07. Notices. All notices, certificates, requests, or other communications under this Agreement are sufficiently given and are deemed given, unless otherwise required by this Agreement, when (i) delivered or (ii) sent by facsimile and confirmed by United States first-class registered mail, postage prepaid, addressed as follows:

(a) As to the County:

Lancaster County
Attn.: County Administrator
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina
Phone: (803) 416-9300
Fax: (803) 285-3361

with a copy to (which shall not constitute notice for purposes of this Agreement):

Mr. Jamie Gilbert
Economic Development Director, Lancaster County
P.O. Box 1809
Lancaster, South Carolina 29721
Phone: (803) 286-3633

Fax: (803) 416-9497
Email: jgilbert@lancastercountysc.net

(b) As to Companies:

RISC, LLC
350 Esten Avenue
Pawtucket, RI 02860
Attn: Ron Markovsky
Email: markovskyr@cooleygroup.com

Cooley, Incorporated
350 Esten Avenue
Pawtucket, RI 02860
Attn: Ron Markovsky
Email: markovskyr@cooleygroup.com

with a copy to (which shall not constitute notice for purposes of this Agreement):

Womble Bond Dickinson (US) LLP
Attention: Stephanie Few
5 Exchange Street
Charleston, SC 29401
Phone: (843) 720-4621
Email: stephanie.few@wbd-us.com

The County and the Companies shall, by notice given under this **Section 6.06**, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

SECTION 6.08. Administrative Fees. The Companies shall reimburse, or cause reimbursement of, the County for reasonable expenses, including, reasonable attorneys' fees, related to the review and approval of this Agreement, and any other documents related to this Agreement. The obligation of the Companies under this Section 6.08 shall survive the termination of this Agreement with respect to expenses occurring prior to the termination of this Agreement.

SECTION 6.09. Merger. This Agreement constitutes the entire agreement among the parties to it with respect to the matters contemplated in it, and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements and agreements heretofore had among these parties are merged herein.

SECTION 6.10. Agreement to Sign Other Documents and to Take Further Action. The County agrees that it will from time to time execute and deliver such further instruments, in form and substance reasonably acceptable to it, and take such further action as may be reasonable and as may be requested by the Companies as may be required to carry out the purpose of this Agreement. The requesting party shall reimburse, or cause reimbursement of, the County for reasonable attorneys' fees, related to review and negotiation of such further instruments. Such instruments or actions shall never create or constitute an

indebtedness of the County within the meaning of any South Carolina constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County, other than against the fee-in-lieu of tax payments made by the Companies with respect to the Project, or a charge against its general credit or taxing power or pledge the credit or taxing power of the County, the State, or any other political subdivision of the State.

SECTION 6.11. Construction of Agreement. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in the interpretation of this Agreement or any amendments or exhibits to this Agreement.

SECTION 6.12. Applicable Law. The laws of South Carolina govern this Agreement.

SECTION 6.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.14. Amendments. This Agreement may be amended only by written agreement of the parties hereto.

SECTION 6.15. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement but the waiver is valid only if it is in a writing signed by the waiving party.

SECTION 6.16. Further Proceedings. It is intended by the parties that any action to be taken hereinafter by the County pursuant to the express provisions of this Agreement may be undertaken by the County without necessity of further proceedings. To the extent that additional proceedings are required by law, however, the County agrees, to the extent permitted by law, to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.


SECTION 6.17. Chamber Membership. Companies agree to maintain a membership in the Lancaster County Chamber of Commerce for those years in which the SSRC, as provided in **Section 3.01(b)** above, is applied.

SIGNATURES FOLLOW ON NEXT PAGE.

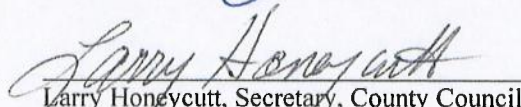
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IN WITNESS WHEREOF, Lancaster County, South Carolina has caused this Agreement to be executed by its respective officials and its respective corporate seal to be hereunto affixed and attested and RISC, LLC, and Cooley, Incorporated have caused this Agreement to be executed by its authorized officers, effective the day and year first above written.

LANCASTER COUNTY, SOUTH CAROLINA



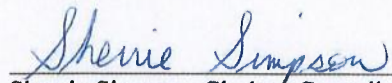
Steve Harper, Chair, County Council



Larry Hongycutt, Secretary, County Council

[SEAL]

Attest:



Sherrie Simpson, Clerk to Council,
Lancaster County, South Carolina

COMPANIES SIGNATURES FOLLOW ON NEXT PAGE.

RISC, LLC,
a Delaware limited liability company

By: _____

Its: _____

COOLEY, INCORPORATED,
a Rhode Island corporation

By: _____

Its: _____

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